



2020 South Interceptor, North Forestview and Forestview Stormwater Outlet Improvements Project

City of Baxter, Minnesota

Improvement Hearing

October 29, 2019 @ 6:00 PM



Overview

- Project History / Public Improvement Process
- Existing Conditions
- Proposed Improvements
- Estimated Project Costs
- City Assessment Policy
- Project Schedule



Project History / Public Improvement

Process

- Feasibility Report
 - South Interceptor and North Forestview Area Improvements prepared by WSN in February 2018
 - Forestview Stormwater Outlet prepared by WSN in February 2017
 - Public Information Meeting – September 20, 2018
 - Supplement prepared by Bolton & Menk accepted by City Council – November 20, 2018
- **Improvement Hearing – December 20, 2018**
 - Project generalities discussed
 - Estimated costs presented
 - Input from property owners obtained
- **City Council – January 8, 2019**
 - City Council votes to not proceed with project as proposed
- City Council authorizes further study regarding ground water quality, existing septic systems, and City Assessment Policy.



Public Improvement Process

- On August 20, 2019 the City Council gave direction to construct the South Sanitary Sewer Interceptor Line through the North Forestview neighborhood, and the installation of sanitary sewer and water along with total street reconstruction along Chestnut Drive, Camwood Trail, Scenic River Drive, Mississippi Road, Land O Lakes Road, Laredo Road, Fuschia Drive, and Forestview Drive from Highland Scenic Drive to Forestview Drive northerly intersection with River Vista Drive.
- On August 20, 2019 the City Council directed staff regarding potential adjustments to the City's assessment policy as well as modifying the connection requirements in the ordinance. Direction given was to:
 - Adjust the assessment policy for developed neighborhoods to be capped at \$15,000 per equivalent residential unit (ERU) beginning in 2020, with the ERU increased by inflation in subsequent years.
 - The initial ERU assessment further broken down is 1 water assessment ERU = \$4,500, 1 sewer assessment ERU = \$4,500 and 1 street assessment ERU = \$6,000.
 - The Water availability charge (WAC) of \$600 and sewer availability charge (SAC) of \$600 for existing houses may be financed through special assessments.
 - Eliminate the \$500 lift station fee on existing houses.
 - Extend requirement to connect to city utilities when available from one year of substantial completion of the project to five years from substantial completion.



Public Improvement Process

- A portion of the South Sanitary Sewer Interceptor line is being constructed in 2019. The portions being completed are the lift station #9 re-route from Mountain Ash Drive to Knollwood Drive, lift station #12 re-route from Knollwood Drive to lift station #23 on Mapleton Road, and lift station #23 re-route piping.
- Since the original Feasibility Report the Arnold Johnson property east of Mapleton Road has been purchased by Knute Nelson Senior Living of Brainerd. The City is working with Knute Nelson on development of this parcel. The feasibility study includes the installation of public infrastructure through this site as a developer requested project.



Public Improvement Process

- **Update to the Supplement to Feasibility Report**
 - City Council accepted on September 17, 2019
 - City Council Ordered the Improvement Hearing on September 17, 2019
- **Improvement Hearing – October 29, 2019**
 - Project generalities discussed, Estimated costs presented, Input from property owners obtained
- **City Council – November 5, 2019**
 - Considers Ordering Project
 - Considers Ordering the preparation of plans and specifications
- **If project is authorized**
 - Plans and Specifications Prepared
 - Project will be bid (January/February 2020)
 - Final Assessment Hearing (February 2020)
 - Award (April 2020)
 - Project constructed (May to October 2020)



Existing Conditions

- Residential Zoning
- 24' to 26' wide bituminous streets constructed in the late 1980's to mid 1990's
- Private wells
- Private septic systems
- No Pedestrian Improvements



2019 Street Ratings



North Forestview street ratings range from 2 to 5



2019 Street Ratings



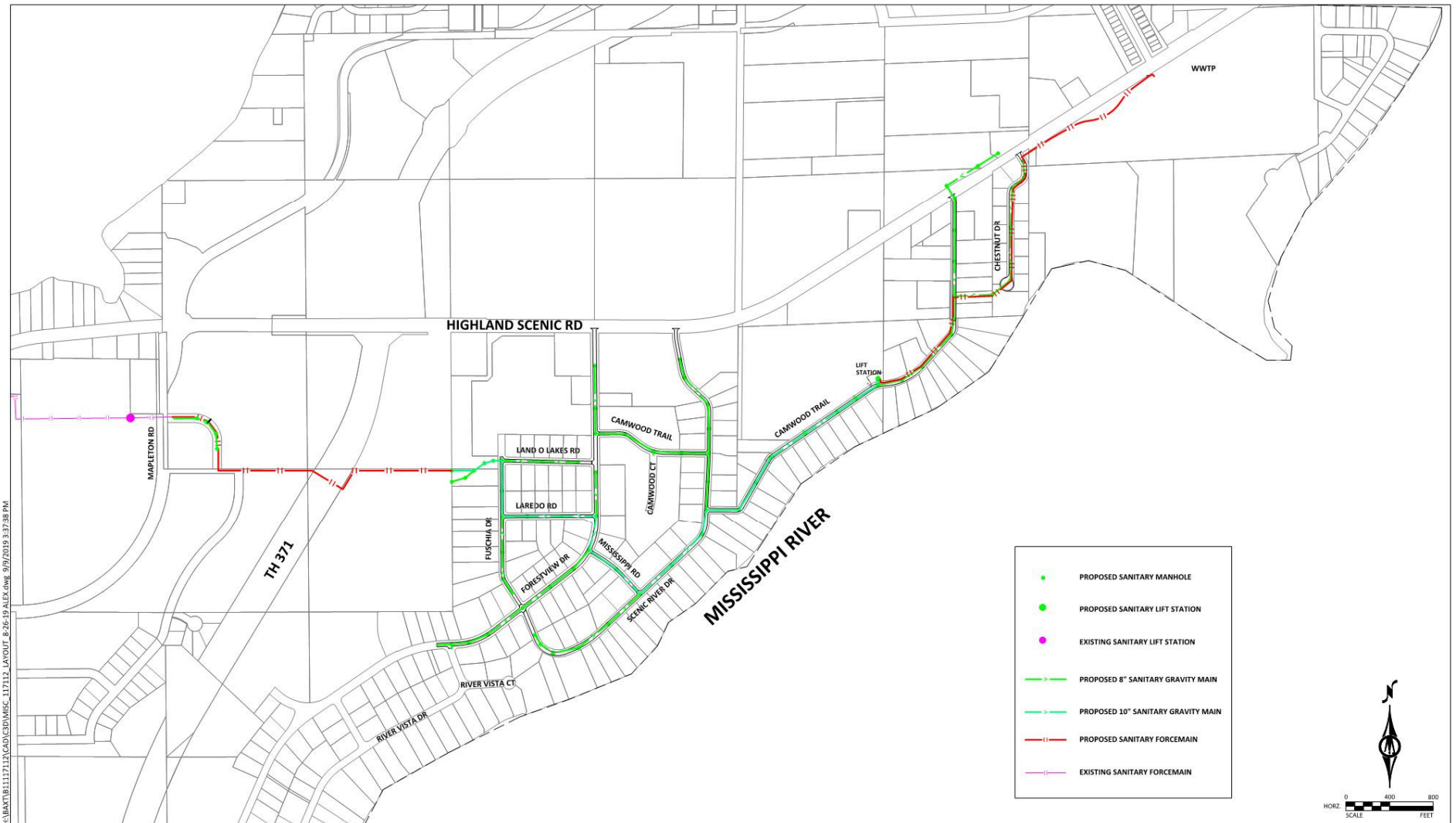
North Forestview street ratings range from 2 to 5

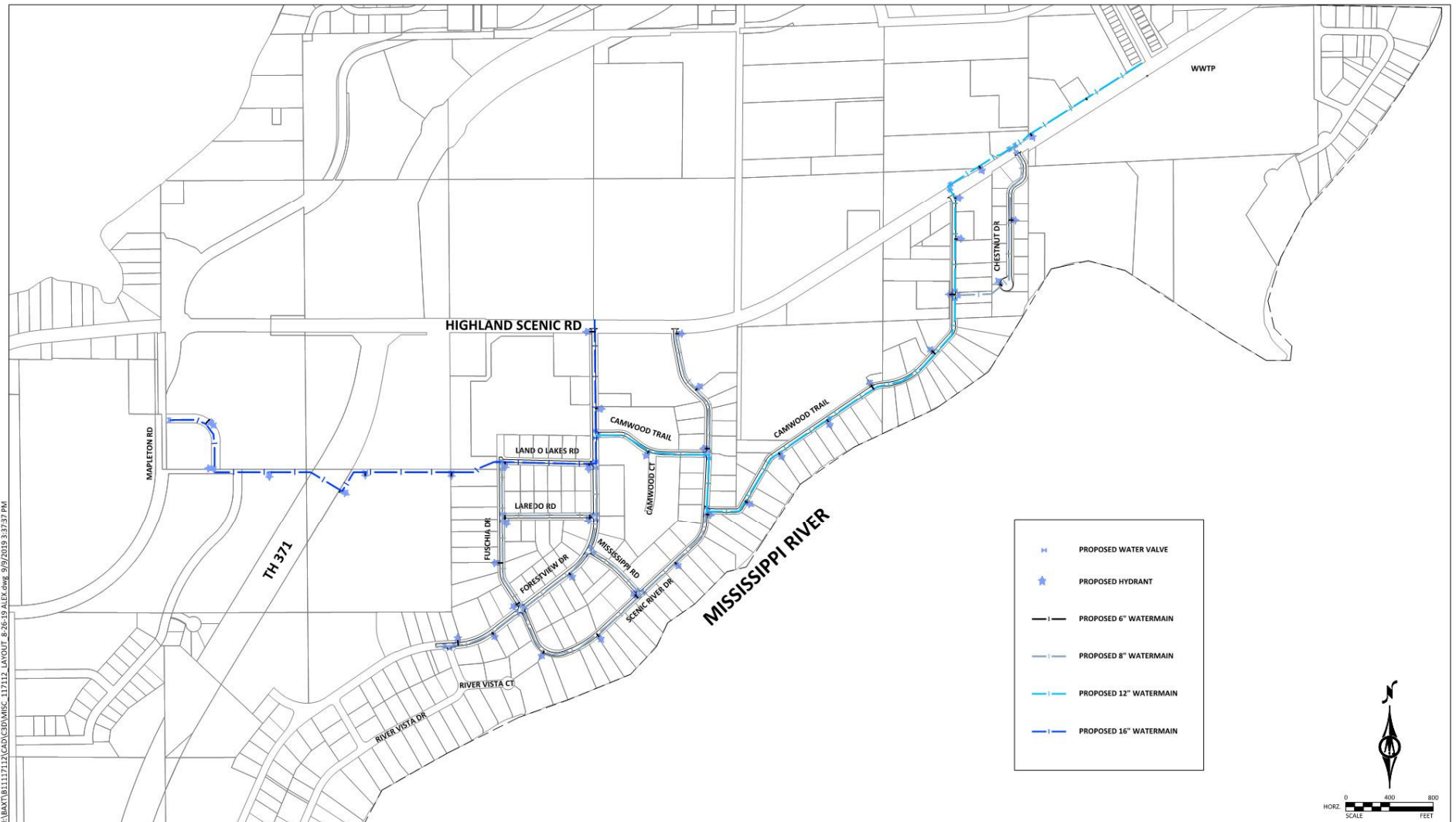


Proposed Improvements

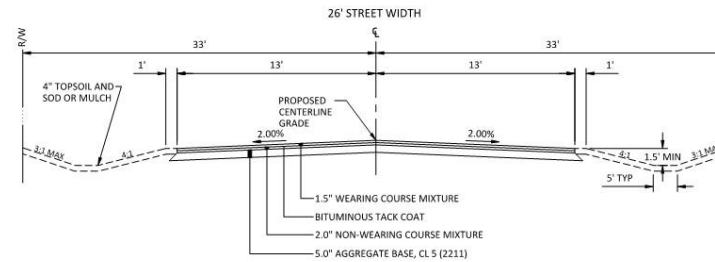
- South Interceptor Forcemain
- North Forestview Sanitary Sewer and Watermain
- North Forestview Streets and Pedestrian Improvements
- Forestview Stormwater Outlet
- Watermain from Mapleton Road to North Forestview (TH 371 Crossing)
- Knute Nelson Site



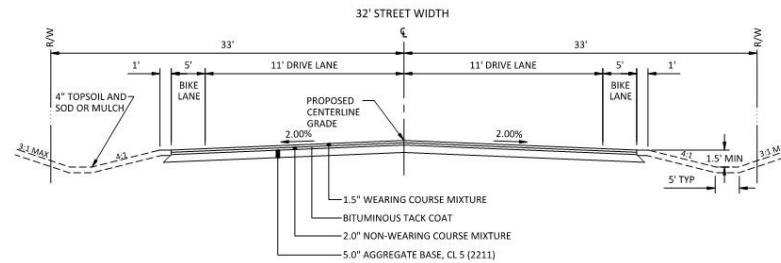




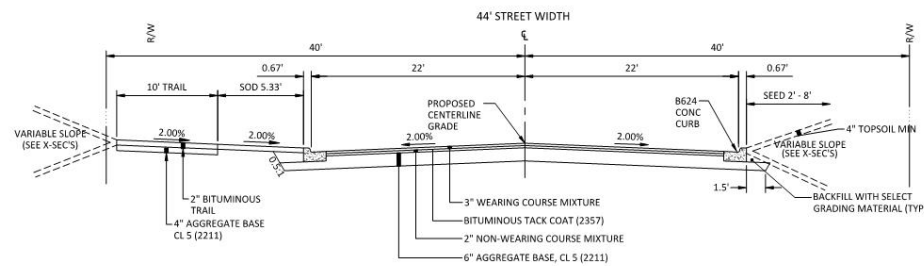
TYPICAL RECONSTRUCTION SECTION



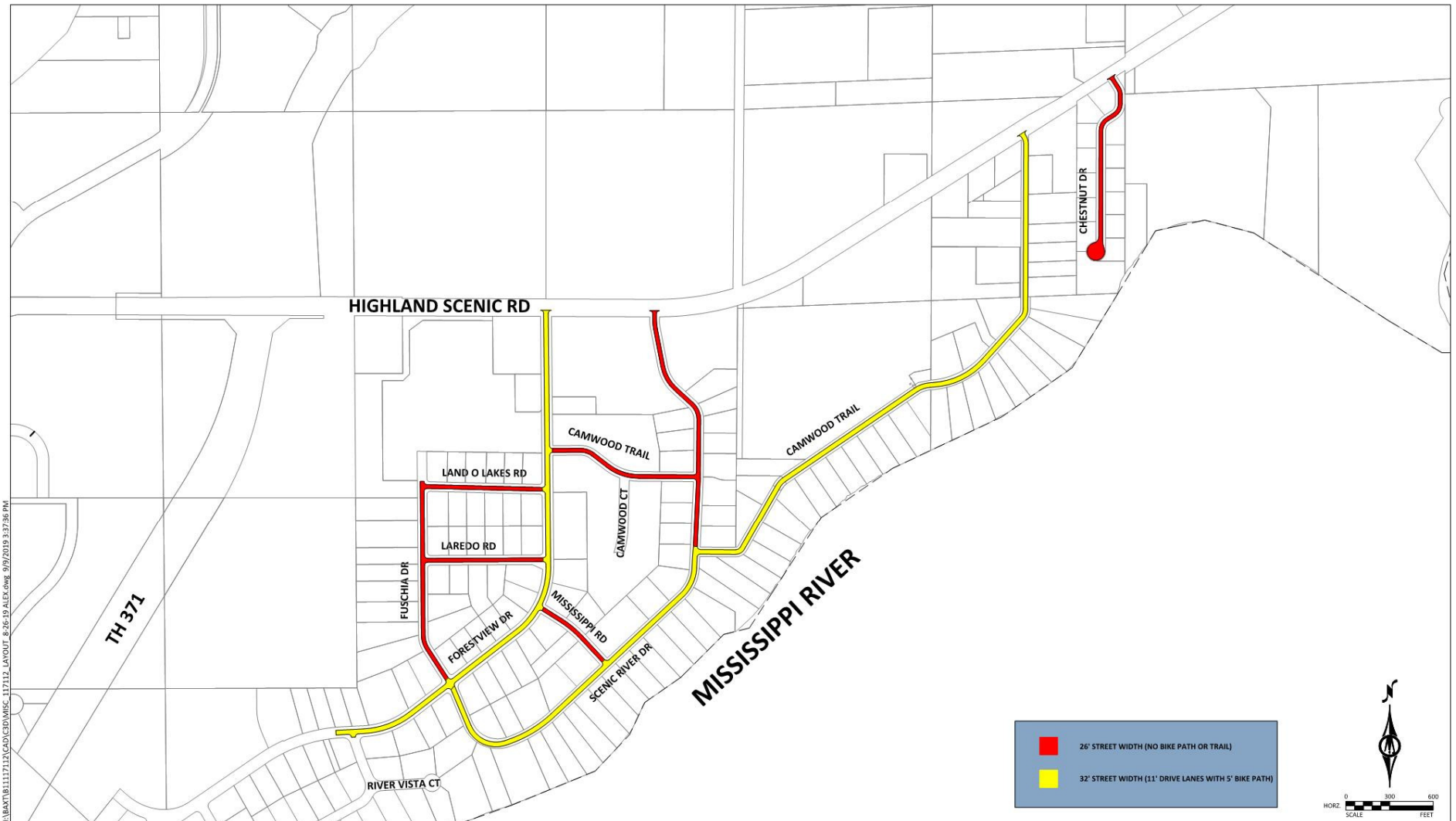
TYPICAL RECONSTRUCTION SECTION WITH BIKE LANES



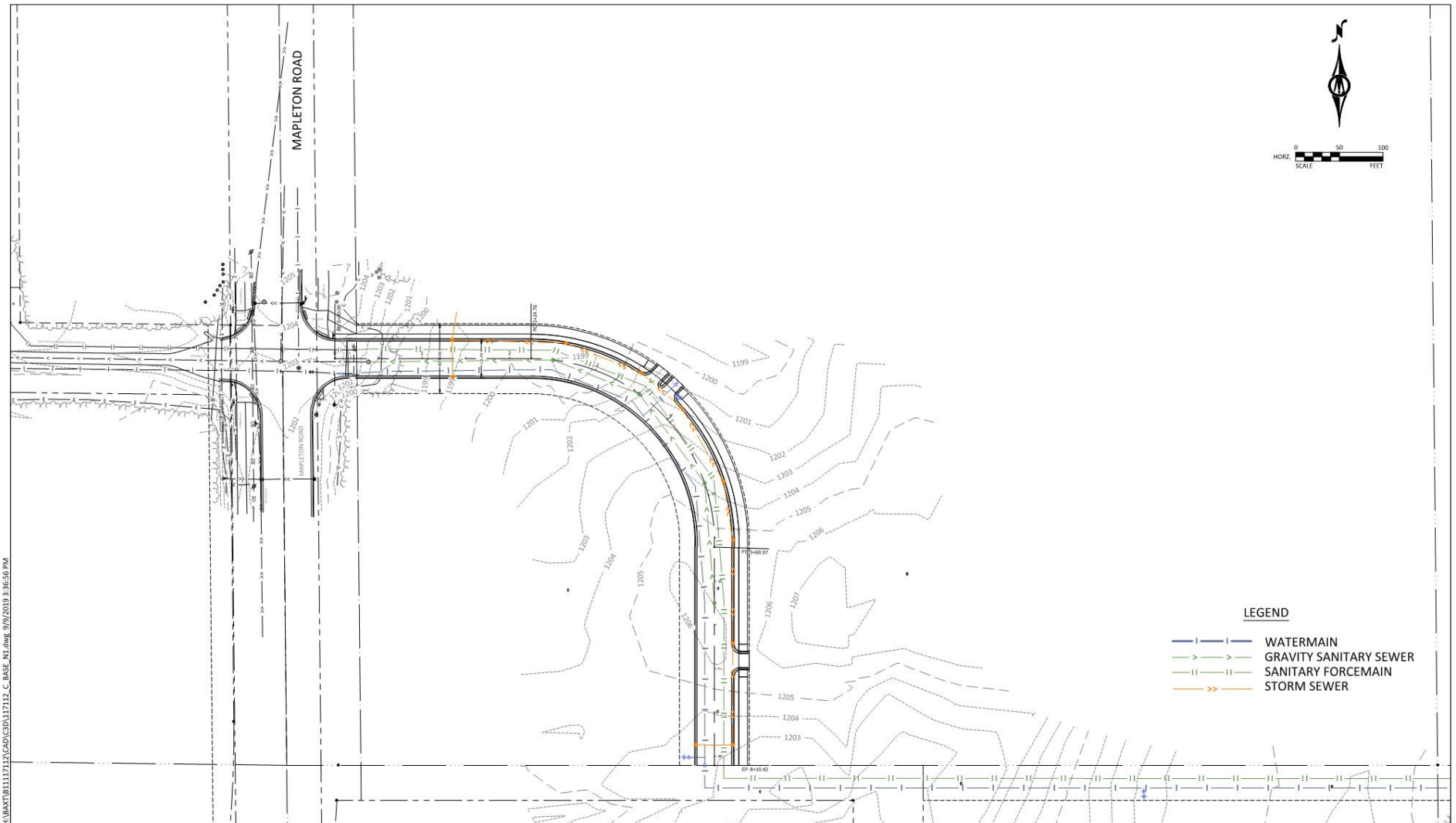
IRONWOOD TYPICAL SECTION



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Estimated Project Costs

- South Sanitary Sewer Interceptor = \$1,205,088
- North Forestview Sanitary Sewer = \$1,884,091
- North Forestview Water = \$2,332,034
- North Forestview Streets and Trails = \$3,258,539
- Watermain west of North Forestview = \$405,035
- Forestview Stormwater Outlet = \$429,298
- Knute Nelson Improvements = \$616,501

Total South Interceptor and North Forestview Project Cost = \$10,130,586



City Assessment Policy for Developed Neighborhood

- Adjust the assessment policy for developed neighborhoods to be capped at \$15,000 per equivalent residential unit (ERU) beginning in 2020, with the ERU increased by inflation in subsequent years.
- The initial ERU assessment further broken down is 1 water assessment ERU = \$4,500, 1 sewer assessment ERU = \$4,500 and 1 street assessment ERU = \$6,000.
- The Water availability charge (WAC) of \$600 and sewer availability charge (SAC) of \$600 for existing houses may be financed through special assessments. New construction is currently \$2,800 per WAC and \$3,000 per SAC unit.
- Eliminate the \$500 lift station fee on existing houses.



North Forestview Water Improvements

- Estimated Cost = \$2,332,034
- Number of Assessable Units = 243
- Cost Per Assessable Unit: \$4,500
- Assessable Cost = \$1,093,500
- City Cost = \$1,238,534



North Forestview Sewer Improvements

- Estimated Cost = \$1,884,091
- Number of Assessable Units = 227
- Cost Per Assessable Unit: \$4,500
- Assessable Cost = \$1,021,500.00
- City Cost = \$862,591



North Forestview Street Improvements

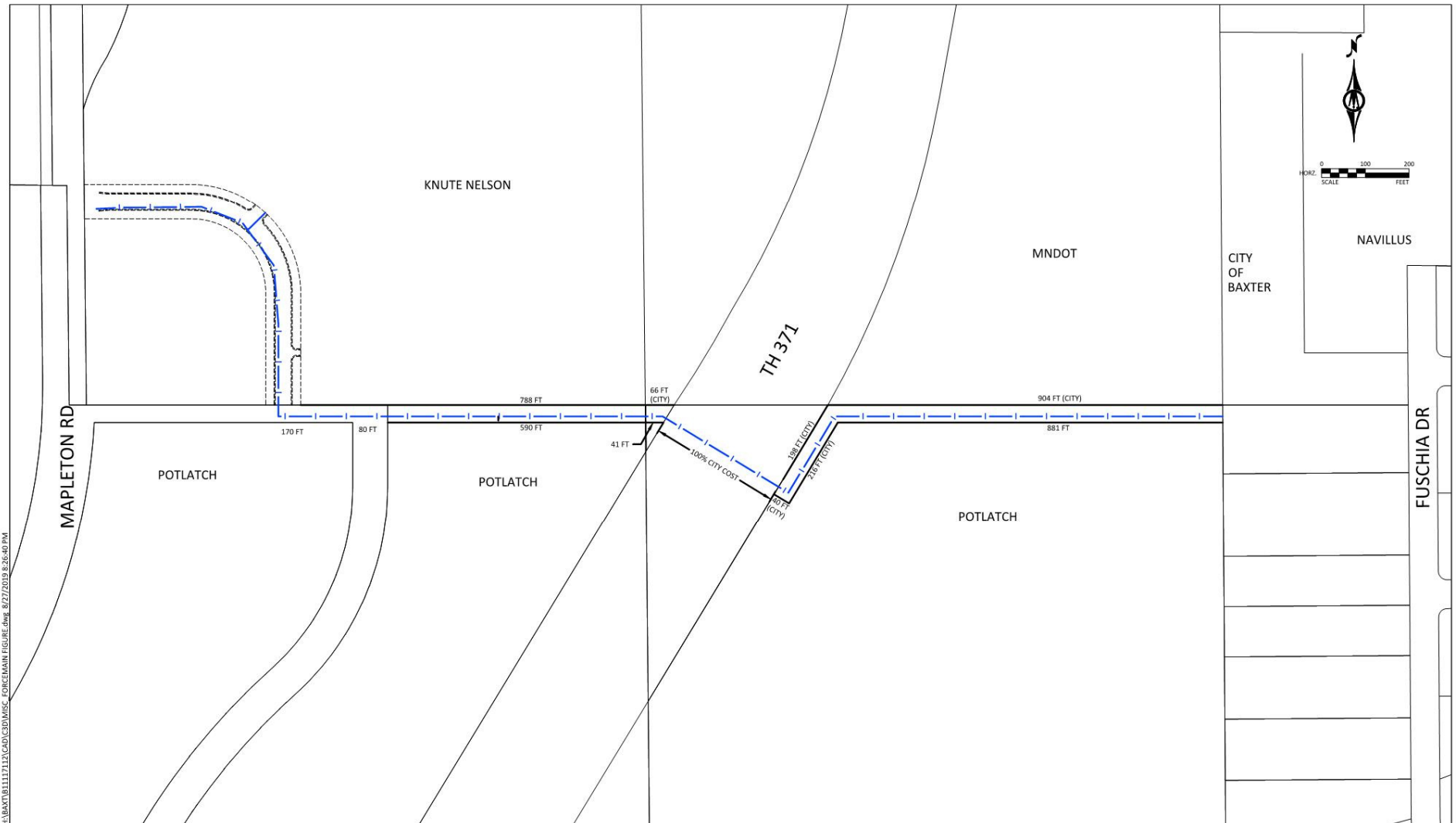
- Estimated Bike Lane Cost = \$158,911
- Estimated Street Cost = \$3,099,629
- Total Street and Bike Lane Cost = \$3,258,540
- Number of Assessable Units = 211
- Cost Per Assessable Unit: \$6,000
- Assessable Cost = \$1,266,000.00
- City Cost (Street & Bike Lane) = \$1,992,540



Watermain Improvements South of Knute Nelson Site to West of Fuschia Drive (TH 371 Crossing)

- Estimated Cost = \$405,035
- City Cost = \$118,500 (Pipe oversizing and TH 371 Crossing)
- Assessable Cost = \$286,535
- Total Front Footage = 3,974 Lineal Feet
- Cost Per Front Footage: \$72.10



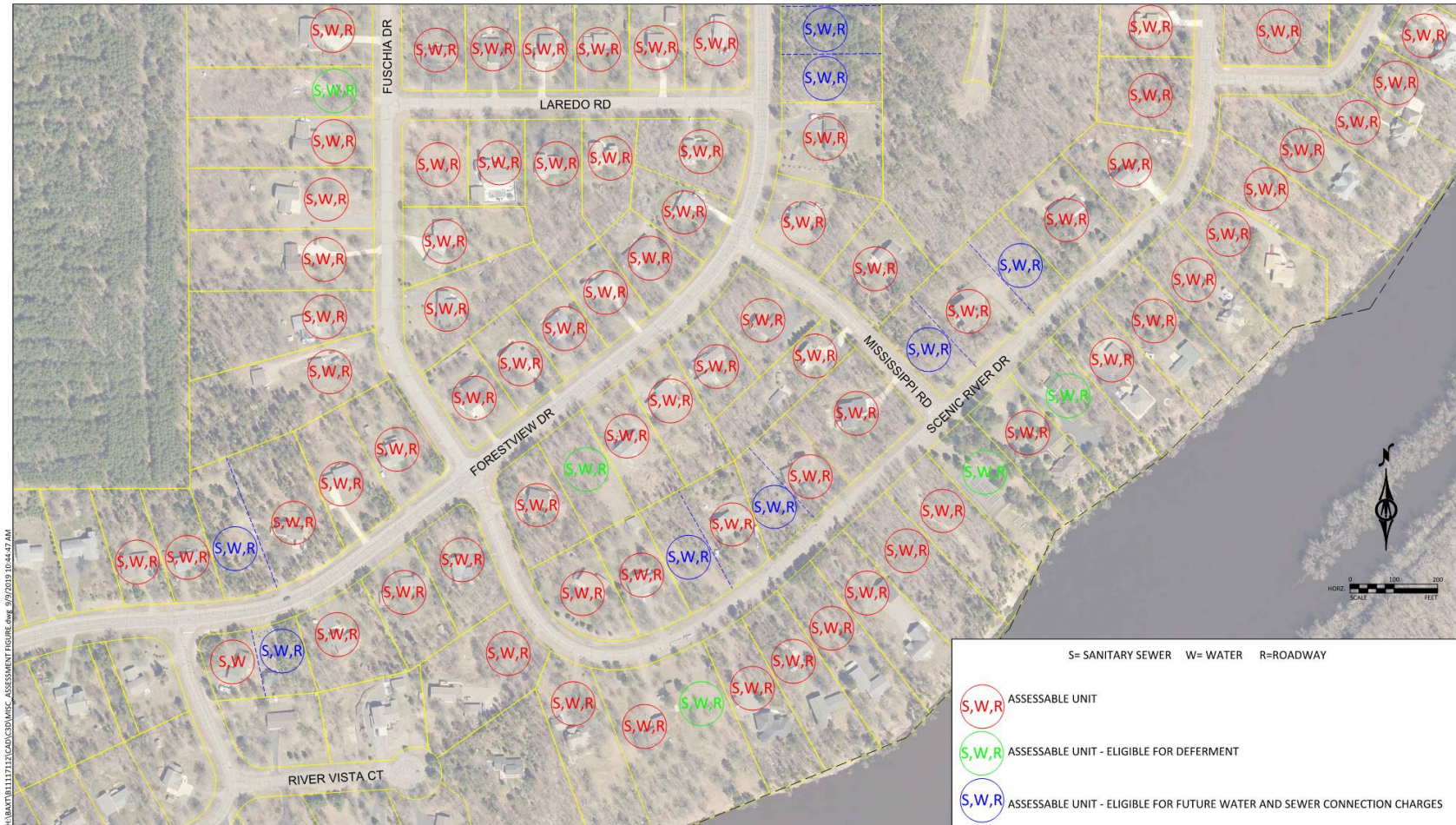


Estimated Assessment Total

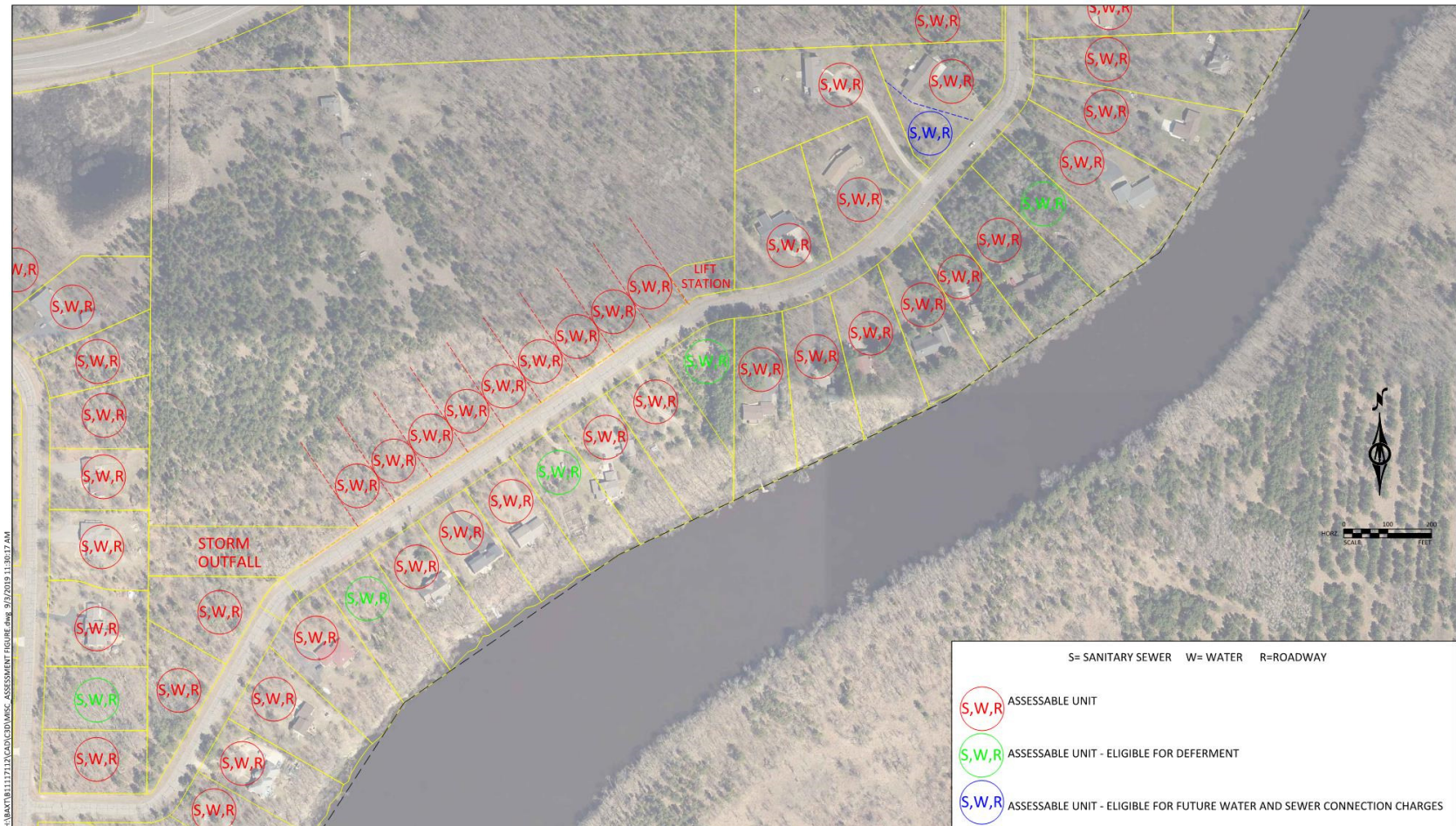
- Total Estimated Assessment per ERU = \$15,000
- Total Estimated Assessment per ERU with Fees= \$16,200
- Estimated City Cost = \$5,846,550 (57.7%)
- Estimated Assessable Cost = \$3,667,535 (36.2%)
- Developer Assessed = \$616,501 (6.1%)

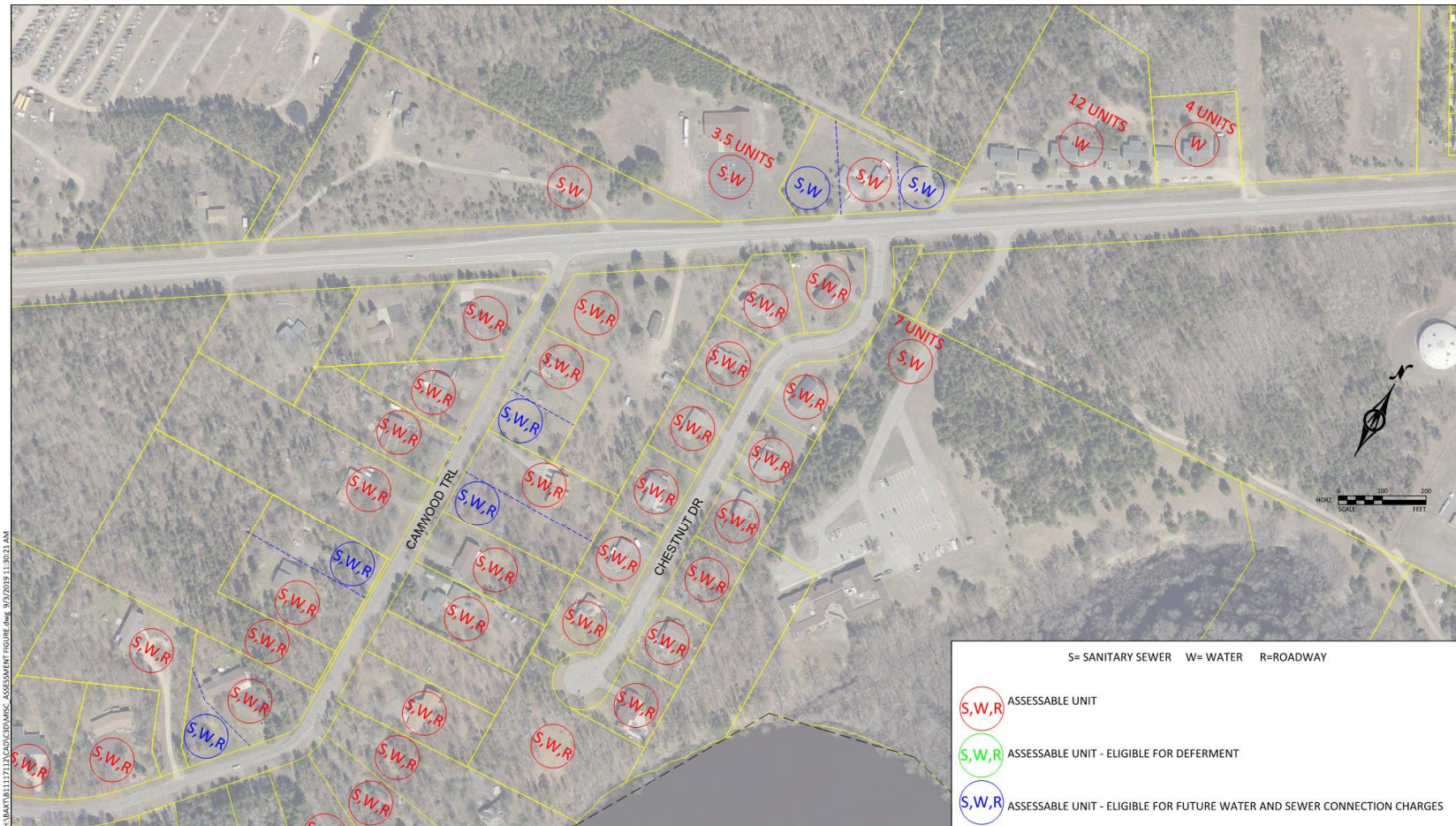
	NF Water	NF Sewer	NF Street & Trail	South Interceptor	NF Stormwater Outlet	West Watermain	Knute Nelson	Total
City Cost	\$1,238,534	\$862,591	\$1,992,539	\$1,205,088	\$429,298	\$118,500	\$0	\$5,846,550
Assessable Cost	\$1,093,500	\$1,021,500	\$1,266,000	\$0	\$0	\$286,535	\$0	\$3,667,535
Developer Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$616,501	\$616,501
Total Cost	\$2,332,034	\$1,884,091	\$3,258,539	\$1,205,088	\$429,298	\$405,035	\$616,501	\$10,130,586











Assessment Payment

- Pre-payments and partial payments are allowed up to 30-days following adoption of the assessment roll with no interest charged on the portion paid.
- Assessment balances will be certified to the County with payments to begin on the next year's county tax statement in 2021.
- Assessment balance will be amortized over a 15-year assessment term for this project.
- Interest rate will be determined once the bonds are sold.
- Future payoff requirements after certification:
 - Interest will accrue from assessment adoption through the end of the calendar year
 - After 2020, payments in full must be made by November 15 to either the City of Baxter or Crow Wing County Auditor to avoid paying the following year's interest



Deferments

Future Connection Charges for Multiple Units on Single Lot (Blue)

- Applies to owners of currently developed R-1 Low Density Residential or R-S Special Residential/Cluster zoned parcels with ability to develop into more than one R-1 parcel
- Assessed for one unit of sewer and water each (if applicable) and all potential street assessment units (unable to defer street improvements on developed parcel)
- Remaining water and sewer units are deferred as future connection charges until developed through “triggering event” of platting of property, granting a land use permit or owner makes request to make payment



Deferments

Deferred Assessments for More than One Lot (Green)

- Applies to owners of currently undeveloped R-1 Low Density Residential or R-S Special Residential/Cluster zoned parcels that own more than one lot of record
- Assessed for one unit of street, sewer, and water each (if applicable)
- Remaining assessment for R-1 or R-S zoned undeveloped separate lots when immediately adjacent to developed R-1 property with same owner are deferred for 15 years without interest and repaid over remaining 15 years with interest
- If an undeveloped parcel is sold separately from developed parcel prior to the 15-year deferment, assessment is no longer deferred and begins year after property sale occurred.



Deferments

Interest on Future Connection Charges:

- Simple interest of 3% or the Consumer Price Index (CPI), whichever is greater, will be added to the outstanding future connection charge balance annually
- The future connection charge is not due or payable until the parcel is developed through a triggering event

Interest on Deferred Assessments:

- During the initial deferment, not to exceed 15 years, no interest will be assessed
- Beginning in year 16, or earlier if the parcel is no longer eligible for deferment, the assessment will be collected with interest applied at the original assessment interest rate for the project



ADDITIONAL CHARGES AND FEES

Current Municipal Charges and Fees:

- Sewer Availability Charge (SAC): \$600 (existing homes)
\$3,000 (new homes)
- Water Availability Charge (WAC): \$600 (existing homes)
\$2,800 (new homes)
- City Inspection Fee: \$40 Current
- City Excavation Permit: \$45 Current
- Water Meter: \$382.96 Current
- Property owners can elect to add the SAC and WAC to project assessment.
- Period to connect to City Utilities proposed to be increased from 1 year from improvement substantial completion to 5 years from improvement substantial completion.
- Charges and fees are due at time of connection to City Utilities or when assessed.
- Property Owners are responsible for private service connection costs.



Private Service Connections

The City of Baxter contacted local private contractors that perform connections to city utilities and install septic systems within the Baxter City Limits. They provided the following estimated costs:

- Sewer and water service connection from right-of-way to existing home = \$70 per lineal foot or \$7,000 for 100 foot connection.
- Minimum Cost = \$4,500 for connection under 65 feet long
- Installation of new gravity septic system = \$6,500 to \$9,500
- Installation of new mound septic system = \$10,500 to \$16,000



Assessment Deferments for Residential Homestead Parcels

- Hardship (Senior Citizen, Disability or Military Active Duty):
 - Individuals meeting age, disability and military active duty requirements based upon qualifying income may be eligible to request deferment of their special assessment.
 - Deferment criteria, application and documentation requirements and procedures are specified in the City of Baxter Assessment Policy for Public Initiated Improvements & Special Assessments of the City of Baxter Code.
 - The annual deadline to apply is August 31st of each year with the deadline for the first payment in 2021 being August 31, 2020.



Project Schedule

- Feasibility Study Approved by City Council (September 2019)
- Improvement Hearing (October 2019)
- City Council adopts resolution ordering improvement (November 2019)
- Plans and specifications prepared
- City Council adopts resolution approving plans and specifications and authorizes advertisement for bids (January 2020)
- City Council adopts resolution ordering the assessment hearing (January 2020)
- Bids are received (February 2020)
- Assessment Hearing (February 2020)
- City Council adopts resolution accepting the assessment roll (February 2020)
- City Council awards construction contract (April 2020)
- Public Information Meeting (April 2020)
- Construction (May 2020 – November 2020)



Thank You!

- Bryan Drown, P.E.

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